



Michigan *Office of the Auditor General* **REPORT SUMMARY**

Financial Audit

*Including the Provisions of the Single Audit Act
October 1, 2001 through September 30, 2003*

Department of Community Health (DCH)

Report Number:
39-100-04

Released:
June 2004

A Single Audit is designed to meet the needs of all financial report users, including an entity's federal grantor agencies. The audit determines if the financial schedules and/or financial statements are fairly presented; considers internal control over financial reporting and internal control over federal program compliance; determines compliance with State compliance requirements material to the financial schedules and/or financial statements; and assesses compliance with direct and material requirements of the major federal programs.

Financial Schedules:

Auditor's Report Issued

We issued an unqualified opinion on DCH's financial schedules.

~ ~ ~ ~ ~

Internal Control Over Financial Reporting

We identified reportable conditions related to internal control over financial reporting (Findings 2 through 5).

~ ~ ~ ~ ~

Noncompliance Material to the Financial Schedules

We did not identify any instances of noncompliance applicable to the financial schedules that are required to be reported under *Government Auditing Standards*.

~ ~ ~ ~ ~

Federal Awards:

Auditor's Reports Issued on Compliance

We audited 9 programs as major programs and issued 9 unqualified opinions. The federal programs audited as major programs are identified on the back of this summary.

~ ~ ~ ~ ~

Internal Control Over Major Programs

We identified reportable conditions related to internal control over major programs (Findings 6 through 13).

~ ~ ~ ~ ~

Required Reporting of Noncompliance

We identified instances of noncompliance that are required to be reported in accordance with U.S. Office of Management and Budget (OMB) Circular A-133 (Findings 6 through 14).

~ ~ ~ ~ ~

Systems of Accounting and Internal Control:

We determined that DCH was not in substantial compliance with Sections 18.1483 - 18.1487 of the *Michigan Compiled Laws* (Finding 1).

~ ~ ~ ~ ~

We audited the following programs as major programs:

<u>CFDA Number</u>	<u>Program Title</u>	<u>Compliance Opinion</u>
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	Unqualified
16.579	Byrne Formula Grant Program	Unqualified
93.044 and 93.045	Aging Cluster	Unqualified
93.052	National Family Caregiver Support	Unqualified
93.268	Immunization Grants	Unqualified
93.283	Center for Disease Control and Prevention - Investigations and Technical Assistance	Unqualified
93.558	Temporary Assistance for Needy Families	Unqualified
93.778	Medicaid Cluster	Unqualified
93.959	Block Grants for Prevention and Treatment of Substance Abuse	Unqualified

A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: <http://audgen.michigan.gov>



Michigan Office of the Auditor General
201 N. Washington Square
Lansing, Michigan 48913

Thomas H. McTavish, C.P.A.
Auditor General

Scott M. Strong, C.P.A., C.I.A.
Deputy Auditor General